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SPECIAL BULLETIN

SHIFT DIFFERENTIAL PAY RATES

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We received many responses to our proposed ideas on shift differential pay rates. Some departments have noted that changing from fixed percentage shift premiums to flat dollar rates would create potential recruitment and retention difficulties. While we must ensure that the State's compensation practices are in accordance with prevailing market conditions, it is also our statutory duty to ensure practices that will help recruit and retain a qualified workforce. **Therefore, at this time we will not be making any changes to our current shift differential pay policies.**

For almost four years now, however, market data have clearly shown that paying flat dollar amounts is a prevailing pay practice. Thus, DHR staff is looking at additional options that may allow us to transition to a policy that is comparable to the market practice and that adequately addresses departments' recruitment and retention concerns. For example, we may consider modifying market flat dollar rates as the floor rates to guarantee minimum shift work payment.

Data have also shown that higher premium pay for health care professions continues to be a prevailing practice. We have not found enough data to determine whether such a trend exists for other specific professions, e.g., corrections, but we will continue to study the market.

It is important that the State establish competitive practices for all components of total compensation, including shift differential pay rates. We will keep you informed about any possible future changes and look forward to working with you to establish a prevailing practice that also addresses departments' concerns.

DPA Executive Director Jeff Wells sent a similar announcement to Executive Directors, and College and University Presidents. For more information contact Sue Huang at sue.huang@state.co.us.

Correction Notice:

The letter that accompanied our article on Civil Service Reform in the March 16, 2004 *Advisor Special Bulletin* was not the most recent version of that letter nor was it a version intended for circulation. At the time we did not know of or have a copy of the lastest version. The employee groups who authored the letter called this to our attention, and we have attached the latest version with this mailing. While there are no substantive differences in these versions, the last line has been edited out in the version meant for circulation.